



FEDERAL ELECTION COMMISSION
Washington, DC 20463

Steven G. Churchwell
DLA Piper LLP
400 Capitol Mall, Suite 2400
Sacramento, CA 95814

MAY 22 2009

RE: MUR 6186
Mark Leggio

Dear Mr. Churchwell:

On May 15, 2009, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. §§ 441a(a)(1)(A) and 441f provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

D. Odrowski
Dawn M. Odrowski
Attorney *by S/R*

Enclosure
Conciliation Agreement

29044243332

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

2
3 In the Matter of)

4)
5 Mark Leggio)

6) MUR 6186
7)
8)

Lead SAC
APR 8 0 2009
2:34 pm

9 **CONCILIATION AGREEMENT**

10
11 This matter was initiated by a *sua sponte* submission filed with the Federal Election
12 Commission ("the Commission") by Mark Leggio ("Respondent"), pursuant to information
13 ascertained in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C.
14 §§ 437g(a)(2).

15 Mark Leggio, the president and/or co-owner of Mark Christopher Chevrolet, Inc.
16 (hereafter, "Mark Christopher") and two other family-owned auto dealerships in California,
17 disclosed to the Commission that he reimbursed federal contributions made by his employees, a
18 former employee, and their relatives in the 2000 and 2006 election cycles. Of those, four
19 reimbursed contributions made to two federal candidates in 2006 fall within the statute of
20 limitations. Based on the facts disclosed by Mr. Leggio and documents he provided, the
21 Commission found reason to believe that Mark Leggio violated 2 U.S.C. § 441f by making
22 contributions in the names of others and 2 U.S.C. § 441a(a)(1)(A) because those reimbursed
23 contributions, when aggregated with his own contributions to the same committees, caused him
24 to exceed the applicable individual contribution limit.

25 NOW, THEREFORE, the Commission and the Respondent, having participated in
26 informal methods of conciliation prior to a finding of probable cause to believe, do hereby agree
27 as follows:

2904424333

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Mark Leggio has been a major contributor to, and fundraiser for, a number of political committees over the years, mostly on the state and local level. Sometime in 2007, Mr. Leggio approached legal counsel to review his political contribution history after learning that a local district attorney's office was looking into contributions made by him, his employees and relatives to local and state candidates and committees. Counsel and a political compliance specialist conducted a comprehensive review of state and local political contributions made by Leggio, his companies and employees.

2. In September 2007, Mr. Leggio, through counsel, self-reported to the California Fair Political Practices Commission ("FPPC") contributions to state and local candidates that he and his companies made in the names of others.

3. On June 11, 2008, the California Attorney General's office, working with the local district attorney, indicted Mr. Leggio, his cousins, Nick Cacucciolo Jr. and Nicola Cacucciolo Sr., and James Deremiah, a friend and former employee, on 11 felony counts of perjury, filing false statements, and conspiracy and 26 misdemeanor counts for violating state contribution limits and reporting laws, all involving state contributions that Mr. Leggio reimbursed.

29044243334

1 4. In the course of reviewing the state and local political contributions, Leggio
2 and his counsel determined that Leggio had reimbursed \$16,000 in contributions made by the
3 Cacucciolos and their spouses and a former employee and his relative to three federal candidates
4 in the 2000 and 2006 election cycles. \$8,000 of those contributions fall within the statute of
5 limitations.

6 5. On August 4, 2008, Leggio, through counsel, contacted the Office of General
7 Counsel to discuss a sua sponte submission. Shortly thereafter, on August 15, 2008, counsel
8 met with the Office of General Counsel and simultaneously filed Mr. Leggio's sua sponte
9 submission. The submission was filed more than six weeks after a June 19, 2008 newspaper
10 account revealed that unnamed investigators had contacted Congresswoman Mary Bono Mack's
11 congressional staff inquiring about contributions made to her campaign by Leggio and those
12 named in the state indictment.

13 6. Following his sua sponte submission, Mr. Leggio provided to the Commission
14 CD-ROMs containing documents that state investigators obtained from Mr. Leggio's businesses,
15 banks and other entities pursuant to executed search warrants. Mr. Leggio was also interviewed
16 and, through counsel, has provided information supplementing his submission.

17 7. The Federal Election Campaign Act of 1971, as amended ("the Act"),
18 provides that no person shall make a contribution in the name of another person. 2 U.S.C. §
19 441f. In addition, during the 2006 election cycle, the Act limited the amount a person could
20 contribute to any candidate for Federal office and his or her authorized political committees to
21 \$2,100 per election. 2 U.S.C. § 441a(a)(1)(A).

22

29044243355

1 8. In accordance with 2 U.S.C. § 431(8)(B)(iii), the use of real property and the
2 cost of invitations, food, and beverages provided by an individual to a political committee in
3 rendering voluntary personal services for a candidate-related activity is not a contribution to the
4 extent their aggregate value does not exceed \$1,000.

5 9. Mr. Leggio and his wife hosted a fundraiser for Rep. Mary Bono Mack at their
6 residence on August 3, 2006, at the request of a friend, a California state senator. In addition to
7 providing the use of their home, the Leggios supplied food and beverages for guests at the
8 fundraiser. The Leggios spent approximately \$5,700 for food and drinks for the fundraiser.
9 Neither of the Leggios made direct contributions to the Committee.

10 10. Mr. Leggio requested Nick Cacucciolo, Jr. and Nicola Cacucciolo, Sr. to each
11 make a contribution of \$2,000 to the Mary Bono Mack Committee to attend the fundraiser,
12 which he told them he would reimburse. The Cacucciolos did so, and the Bono Mack
13 Committee reported each as a general election contribution.

14 11. The Cacucciolos have been employed by Mr. Leggio's companies for 16 and
15 22 years, respectively. At the time of the 2006 contributions, Nick, Jr. was General Manager for
16 Mark Christopher and another Leggio Company, Mountain View Chevrolet. Nick, Sr. was fleet
17 manager for Mountain View.

18 12. Mr. Leggio reimbursed the Cacucciolos for the Bono Mack Committee
19 contributions in cash using his personal funds.

20 13. Since the value of the food and beverages provided by the Leggios exceeded
21 the \$1,000 exemption available to each of them under 2 U.S.C. § 431(8)(B)(iii), the Leggios each
22 made an in-kind contribution of \$1,850 to the Bono Mack Committee in the form of food and

2904424336

1 drinks provided for the fundraiser. They did not advise the Committee of these in-kind
2 contributions.

3 14. When aggregated with his \$1,850 in-kind contribution for food and drinks,
4 Mr. Leggio's reimbursements resulted in a \$3,750 excessive contribution to the Bono Mack
5 Committee.

6 15. On or around September 19, 2006, the Leggios hosted another fundraiser at
7 their personal residence for Rep. J.D. Hayworth. In addition to providing the use of their home,
8 the Leggios once again supplied food and beverages for guests at the fundraiser. This time, the
9 Leggios spent less than \$2,000 for food and beverages.

10 16. Prior to the fundraiser, both Mr. and Mrs. Leggio had each contributed \$4,200
11 to Rep. Hayworth's principal campaign committee, J.D. Hayworth for Congress ("the Hayworth
12 Committee"), half attributed to the primary election and half to the general election.

13 17. Mr. Leggio again requested Nick Cacucciolo, Jr. and Nicola Cacucciolo, Sr. to
14 each make a contribution of \$2,000 to the Hayworth Committee to attend the fundraiser, which
15 he told them he would reimburse. The Cacucciolos did so, and the Hayworth Committee
16 reported each as a general election contribution.

17 18. Mr. Leggio reimbursed the Cacucciolos for the Hayworth Committee
18 contributions in cash using his personal funds.

19 19. When aggregated with previous contributions totaling \$4,200, Mr. Leggio's
20 reimbursements resulted in a \$4,000 excessive contribution to the J.D. Hayworth Committee.

21 V. 1. Respondent violated 2 U.S.C. § 441f by making \$8,000 in contributions in the
22 names of Nick Cacucciolo Jr. and Nicola Cacucciolo.

2904424337

2. Respondent violated 2 U.S.C. § 441a(a)(1)(A) by making \$7,750 in excessive contributions.

VI. Respondent will take the following actions:

1. Mr. Leggio will pay a civil penalty to the Federal Election Commission in the amount of Six Thousand Dollars (\$6,000) pursuant to 2 U.S.C. § 437g(a)(5)(B).

2. Mr. Leggio will cease and desist from violating 2 U.S.C. §§ 441f and 441a(a)(1)(A).

VII. In determining the appropriate civil penalty for this case, the Commission considered the following factors:

1. Mr. Leggio made his submission to the Commission only after press reports indicated investigators were making inquiries about his federal contributions to the Mary Bono Mack Committee.

2. Notwithstanding the timing of his submission, the scope of Mr. Leggio's submission, dating back to 2000, is complete.

3. Mr. Leggio has cooperated by agreeing to be interviewed despite an ongoing state criminal prosecution and by voluntarily providing documents and other information.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

29044243338

X. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.


XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Thomasenia P. Duncan
General Counsel

Date 5/21/09

BY:


Ann Marie Terzaken
Associate General Counsel
for Enforcement

FOR THE RESPONDENT:

DLA PIPER LLP (US)

4-29-09
Date


Title: Partner

2904424339